JUSTIFICATION AND APPROVAL FOR AN EXCEPTION TO FAIR OPPORTUNITY

Contracting Activity: Department of Veterans Affairs
 Office of Acquisition Operations
 Technology Acquisition Center
 1701 Directors Blvd, Suite 600
 Austin, TX 78744

2. <u>Description of Action</u>: This proposed action is for a Firm-Fixed Price Delivery Order (DO) under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government-Wide Acquisition Contract (GWAC), for eight VMware brand vCenter Site Recovery Manager Enterprise software perpetual licenses, 32 VMware brand vSphere Enterprise Plus perpetual licenses, onsite installation and configuration, maintenance services, and on-site informal training of six to eight VA personnel. The Department of Veterans Affairs (VA), Veterans Health Administration (VHA) Chief Business Office (CBO) Consolidated Patient Account Center (CPAC) and the Health Administration Center (HAC) require software that can scale and integrate with existing VMware infrastructure and which must work with VA's existing VMware Virtual Center (vCenter) servers.

This VMware software will be integrated into an existing infrastructure which supports various VA Business Units and missions, agency-wide. This will further enhance Continuity of Operation (COOP) capabilities to ensure that the Business Units' information will be available to them and their customers in the event of a computer outage at the primary sites.

- 3. <u>Description of Supplies or Services</u>: The proposed action is for eight VMware brand vCenter Site Recovery Manager Enterprise software perpetual licenses and 32 vSphere perpetual licenses divided equally between the CPAC in Ashville, NC, and the HAC in Denver, CO. The software is used for disaster recovery in the event of a computer or power outage. The period-of-performance for the delivery of software perpetual licenses, on-site installation, configuration, and on-site informal training of six to eight VA personnel will be sixty days from date of award. A one-year maintenance agreement for version updates, 24/7 telephone support and website support is also required. The maintenance services will not be required after one year, because OIT's Technology Management Lifecycle Manager plans to have an Enterprise-Wide agreement in place in 2013 which will include these software support services. The total estimated price for this procurement is \$296,370.32.
- 4. <u>Statutory Authority</u>: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c), as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B), entitled "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."
- 5. <u>Rationale Supporting Use of Authority Cited Above</u>: This is a brand name justification in support of FAR 11.1105, Items Peculiar to One Manufacturer. VMware brand name software is the only software that can continue to build upon VA's existing

VMware based disaster recovery system in use at the CPACs. No other brand name software will be interoperable or compatible with the fielded VMware-based network. Specifically, the current system and software communicates through a source code to provide virtual server hosting and enable disaster recovery based on VMware proprietary data. No other software can provide this communication capability without this source code.

VA has a significant investment in the current infrastructure, which supports over 100,000 Business Unit customers. Switching to another infrastructure may degrade customer service. VMware is the sole manufacturer of the VMware software required. VMware vCenter servers are already in place at the two locations identified for this requirement. Introduction of any other software tool would negatively impact the standard model due to the proprietary code used by VMware. The addition of any non-VMware software to the existing infrastructure would require an additional certification process which would add significant time and cost to the requirement.

- 6. <u>Efforts to Obtain Competition</u>: The technical team conducted market research, details of which are noted in the market research section of this document. In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D)(1), this action will be synopsized at award on the Federal Business Opportunity Page (FBO) and the justification will be made publically available.
- 7. <u>Actions to Increase Competition</u>: In order to remove or overcome barriers to competition in future acquisitions for this requirement, the agency will work with the program office to perform additional market research so that other solutions can be considered.
- 8. Market Research: Market research was conducted by the government's technical expert during July 2012. Virtualization solutions from Microsoft and Citrix were reviewed for compatibility with the existing virtual infrastructure, and were found to be unsupported for integration. Neither was found to be compatible with the current VMware virtualization infrastructure used on VA Business Units' networks. The reviewed products would not allow a non-intrusive integration without requiring a complete redesign, including recertification, training, software, licensing, and documentation efforts. The resources and time needed to complete those activities would be cost prohibitive to VA.

Discussion with the software manufacturer revealed they have several authorized resellers of their products on the NASA SEWP IV contract vehicle.

9. Other Facts: Not Applicable.

as approval.

my (Technical and Requirements Certification: I certify that the supporting data under ognizance, which are included in this justification, are accurate and complete to the form of my knowledge and belief.	
	9/12/2012	
	X St. D.C	
	Josh Dillingham Program Manager, SD&E Field Program Offices Signed by: JOSHUA T DILLINGHAM 369119	

11. <u>Fair and Reasonable Cost Determination</u>: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on competition between authorized resellers. Additionally, the products on NASA SEWP IV GWAC have already been determined to be fair and reasonable and even more competitive pricing may result from competition.

Cory Price	Date:9//2//2		
Procuring Contracting Officer	Signature: Compline		
12. <u>Procuring Contracting Officer Certification</u> : I certify that this justification is accurate and complete to the best of my knowledge and belief. As this contract action does not exceed \$650,000, the certification below required by FAR 16.505(b)(2)(ii)(C)(1) serves			

Cory Price Date: 9/12/12

Procuring Contracting Officer Signature: Complete